

A BILL TO BE ENTITLED  
AN ACT

To amend Article 2 of Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to the imposition, rate, and computation of income tax, so as to provide for an income tax credit with respect to qualified ad valorem tax expenses; to provide for a definition; to provide for conditions and limitations; to provide for powers, duties, and authority of the state revenue commissioner with respect to the foregoing; to provide an effective date; to provide for applicability; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

**SECTION 1.**

Article 2 of Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to the imposition, rate, and computation of income tax, is amended by adding a new Code section to read as follows:

"48-7-29.17.

(a) As used in this Code section, the term 'qualified ad valorem tax expense' means the expenditure of funds by the taxpayer for the payment of such taxpayer's state and local ad valorem taxes on real property in the tax year for which the credit under this Code section is claimed and allowed. Such qualified ad valorem tax expenses shall not include ad valorem taxes with respect to any real or personal property used for business or commercial purposes.

(b) A taxpayer shall be allowed a credit against the tax imposed by Code Section 48-7-20 for qualified ad valorem tax expenses in an amount not to exceed the actual amount expended.

(c) In no event shall the total amount of the tax credit under this Code section for a taxable year exceed the taxpayer's income tax liability. No amount of unused tax credit shall be allowed the taxpayer against succeeding years' tax liabilities. No such tax credit shall be allowed the taxpayer against prior years' tax liabilities.

(d) In any tax year in which the commissioner determines that the aggregate amount of state reserve funds is less than \$500 million, no tax credit shall be claimed or allowed under this Code section for that tax year.

(e) The commissioner shall be authorized to promulgate any rules and regulations necessary to implement and administer the provisions of this Code section."

## SECTION 2.

This Act shall become effective upon its approval by the Governor or upon its becoming law without such approval and shall be applicable to all taxable years beginning on or after January 1, 2010.

## SECTION 3.

All laws and parts of laws in conflict with this Act are repealed.